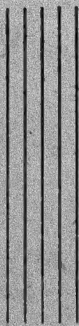
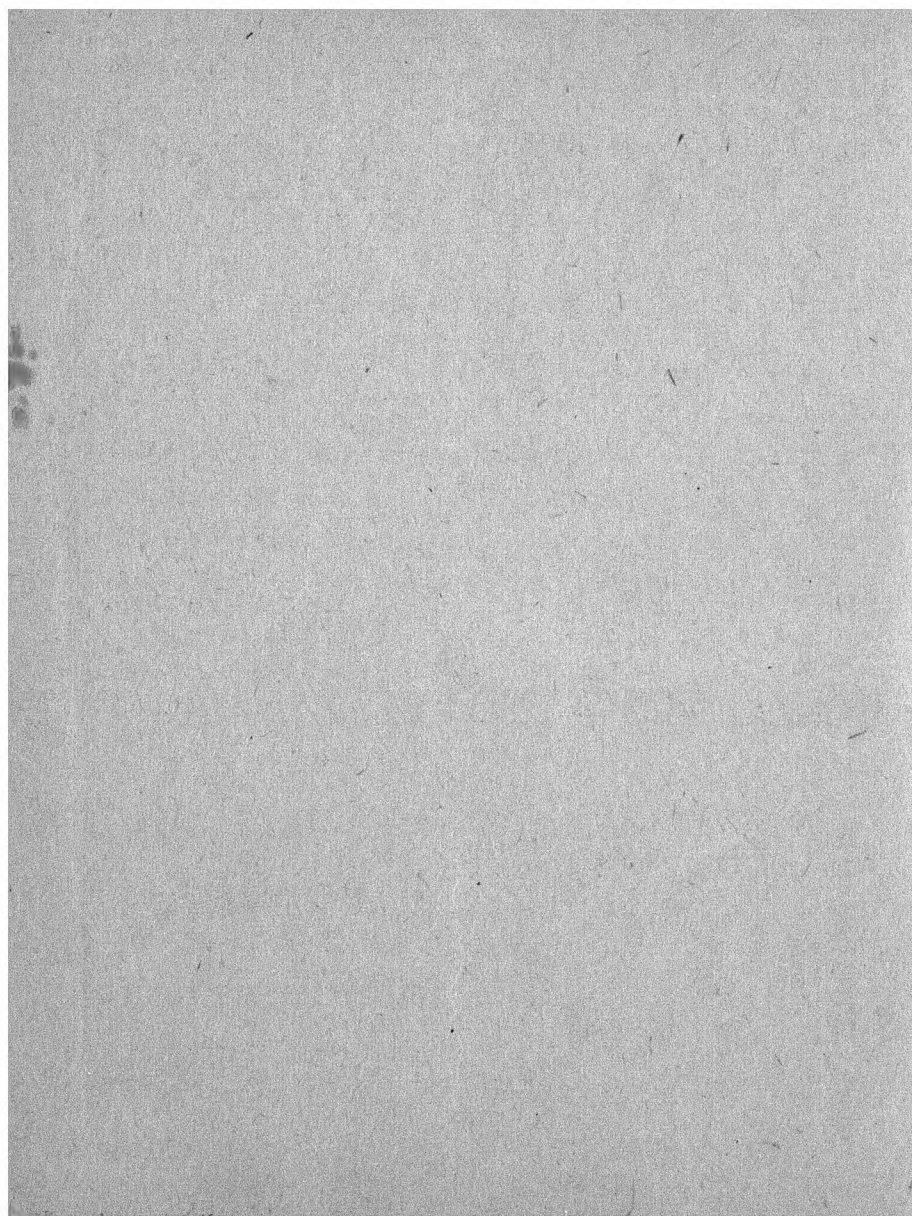


THE FARMERS' STRUGGLE

**A Call to
Action for
THE FARM
EMERGENCY
BILL**



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THE FARMERS' STRUGGLE

A popular explanation of the content and purpose of the Farm Emergency Bill. This Bill was drafted by the First National Conference of Toiling Farmers, held in Regina, Sask., in the first week of July, 1934, with delegates from various farmers' organizations and also unorganized farmers present. The Farmers' National Committee for Action, elected at this Conference, is preparing to present the Bill to the next session of the Federal Parliament.



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INTRODUCTION

What is the Farm Emergency Bill? It is a Bill drawn up by farmers in the interests of all those engaged in agricultural pursuits, or residing in agricultural communities, and who make their living primarily by their own work. It is an outcome of the First National Conference of Toiling Farmers which was held at Regina, Saskatchewan, in July, 1934, and follows the program of action which was worked out at that conference. This conference selected a committee of seventeen men and women to place its program before the farmers of Canada in a tangible and concrete form; the Farm Emergency Bill is one of the means taken by the committee to carry out that task.

The Bill is to be presented to the Parliament of Canada during the 1935 session now in progress, by a committee of poor farmers to be selected by the supporters of the Bill. No attempt has been made to write the Bill in legal language with the idea of it being adopted as written. The aim of the committee has been to place the conditions of the farming population fairly and squarely before the heads of the Government, with concrete proposals as to how the present plight of the masses can and must be remedied. The destitute are more concerned with the effects of whatever legislation may be passed than with the terminology used in drafting it. In case the present session of the House of Commons should be concluded before the campaign for signatures and support for the Bill can be completed—as may be the case in view of the approaching general election—the Bill will be presented to the Federal Cabinet as soon as possible, and the campaign for its support will be continued through the period of the election campaign and the Bill presented to the first session of the new Parliament after election.

Provincial delegations in each province where the Bill will be circulated will present it to each provincial Legislature, with particular stress placed upon those points with which the farmers of any province are most concerned. This is necessary in order that each province may enact whatever legislation may be required so that there will be no occasion for "passing the buck" from Dominion to Province and back again, as is so often done when the under dog demands justice.

This pamphlet is written to explain as fully as possible the nature and purpose of the Bill so that each one supporting it may know what he or she is endorsing.

Why This Crisis

Each year a certain quantity of useful articles is brought into existence by the application of labor to the natural resources and raw material at hand. At any time there is a bountiful measure of wealth in existence. It is all owned by persons, by some one or other, either directly or through bonds and debentures, even the so-called public properties and utilities.

No article can be owned outright by two or more individuals at the same time; that is obvious. The great bulk of useful things in Canada, as in all modern capitalist countries, is owned by a few; and these few who own, have not taken any part in the production of what they own. The poverty of the masses of farmers and workers who produce the wealth of the world is the inevitable result and counterpart of the excess of ownership by others. The temporary and very fleeting possession the farmer has of his products disappears as soon as he attempts to pay his debts and taxes. He is soon left holding the empty sack again, owning nothing that matters and still loaded down with debts he cannot meet. If he buys for himself and his dependents the things they need he must to some extent ignore his creditors. In other words, he cannot pay his debts and taxes and live.

Economists of many brands have for years been bringing forward a great variety of alleged cures for the stagnation in trade and explanations for the prevailing want in the midst of plenty. Yet the problem remains unsolved and the senseless condition continues as before. All are agreed that trade must be revived, that markets must be found; and tariffs, embargoes, trade agreements, marketing laws and other alleged reforms are bandied about to hide the real nature and the real cause of the evil. Free exchange of commodities is impossible so long as one small group of people owns the bulk of them. The problem can be solved; but the solution is not acceptable to those who profit by the present mess. The concentration of ownership of wealth has reached the stage where a larger and ever larger portion of the population can only enter into the exchange of commodities by having them given to them without exacting payment in return. Owning neither goods nor money they must receive without giving in the usual way. Stagnation in trade, so fatal to the farmer, is due to the fact that producers of all kinds do not receive enough for their work or their products to buy its equivalent in the market, while the non-producer who has the means to buy has no need to do so beyond a small fraction of his income. A comparatively few wealthy people in Canada could easily buy all the farm products at double the current price; but they have no need nor desire to do so since there would be no profit in the deal. They seek to invest the money they don't need for even the most riotous living in some enterprise where it will multiply without effort on their part. Such investment and re-investment demands continual expansion of production. The money thus invested is withdrawn from ordinary circulation and is not available for the purchase of the things placed on the market. This takes place in every capitalist country and is the real cause of shrinking markets for all. It is obvious that trade cannot be revived for every business and for every nation. Where one expands another must contract; where one wins another must eventually

lose. The trade agreements, etc., mentioned above, cannot revive world trade as a whole; they can only determine for a time what business or nation is to get the lion's share of what trade still goes on, while the total of that trade can only grow smaller and smaller and the struggle to obtain a share in it grows fiercer and fiercer. The toiling farmers and industrial workers are caught between the upper and nether millstones of a system which is only designed to grind out profits for the rich.

This is the situation from which the farmers of Canada and other capitalist countries are seeking a way out. This is the fundamental reason why promises of politicians are never fulfilled. Poverty in the midst of plenty; stagnation because there is too much; food rots while children starve; producers of strawberries cannot buy even enough beans for their needs; the more we produce the poorer we become. For this, wars are fought and good men and women rot in the jails and asylums. Yet in the past the farmers always looked to those who profit by this crazy process to lift them out of the mess they are in. Is it any wonder so little progress has been made!

This Farm Emergency Bill is one of the first steps taken by the farmers of Canada to do things for themselves, or to at least insist that all fooling and fiddling be put aside. We have tried this government and that as elections came around and have been left in the lurch by all of them. Never before has a real attempt been made to gather our forces on such a scale to bring mass pressure to bear upon the government in office to fulfil their pledges and act on our behalf. The success of this Bill will depend upon the support given it by the farmers throughout the country. The Federal Government will act if the heads of that government see there is a well organized and well expressed demand for them to do so. This Bill must convince them that there is such a demand.

In presenting to you this Bill for your signature and support, fellow farmer, the Farmers' National Committee

for Action asks you to join with others in the same hard circumstances as yourself in an endeavor to better the condition of all. No matter what organization you may belong to or whether you don't belong to any, no matter how you have voted in the last election or intend to vote in the next, no matter what differences you may have with your poverty-stricken neighbor in your opinions, your nationality or your creed, we ask you to sink those differences for the present at least and boost this measure so that the greatest possible gains may be made.

The text of the Farm Emergency Bill is as follows:

Farm Emergency Bill

Widespread distress prevails amongst the agricultural population of Canada in the midst of abundance created by our toil.

The scale of relief, where such has been instituted by the governments, has never been and is not now sufficient to enable the producers to live normal lives and to continue production and thousands of needy have been denied any relief whatever.

Wealthy corporations continue to make huge profits out of the products of our toil, steadily increasing the spread between the prices to the producers and the cost of living and operating their farms.

The Natural Products Marketing Act, the Farm Creditors Arrangement Act and other marketing and debt legislation now in force are no remedy for the poverty and hardship we are enduring; they leave the wealthy still preying upon the poor.

Therefore, we, the undersigned farmers and rural residents of Canada, hereby present to the Parliament (or government) of Canada this FARM EMERGENCY BILL, initiated by the first National Conference of Toiling Farmers of Canada held in Regina, Saskatchewan, in July, 1934, composed of representatives of several farmer organizations and unorganized farmers. We call upon this parliament

(or government) of Canada to pass the necessary legislation (or emergency measure) to bring the provisions of this Bill into effect for the immediate and permanent relief of the farming population in their dire need.

We further pledge ourselves, in line with the decisions of the Conference, to unite and to organize the laboring farmers of Canada to take such action as lies within our power to achieve the aims expressed in this Bill and to secure for all farmers of both sexes and all ages who make their living primarily by their own toil a reasonable standard of living and security in the possession of their farms and homes.

1. **CASH RELIEF:** The Federal and Provincial Governments shall immediately provide cash relief to all toiling farmers according to need, in case of crop failure from any cause, sufficient to enable them to continue production and to purchase their requirements from the abundance of food, clothing and other necessary supplies now in storage in warehouses, in stores and on farms. This relief to be administered without discrimination or regard as to whether any person pays taxes, is married or single, native or foreign-born. It shall include government grants for seed, feed, repairs, etc., without collateral or interest. All closed schools shall be re-opened and all schools be kept open and fully equipped for the full present statutory school year in each province, with a minimum of \$840.00 yearly salary for teachers, at the expense of the Provincial and Federal governments where local funds are not sufficient for this purpose. All those employed on any government relief work shall be paid an adequate wage. Government relief work shall be used for public improvements that are of general use to the masses of farmers and workers.

2. **HIGHER PRICES FOR FARM PRODUCTS:** The Federal Government shall guarantee a price for the products of the farms, in the form of a subsidy or a bonus, to enable producing farmers to maintain themselves in comfort and security and pay all necessary operating expenses.

3. NO FORCED COLLECTIONS: The Federal and Provincial Governments shall enact legislation to prohibit seizures of grain, livestock or any products or chattels of impoverished farmers for secured debts, mortgages, arrears of rent, arrears of taxes or seed and feed loans, and to prohibit foreclosures and evictions of destitute farm families from their homes for debt.

4. TAX EXEMPTIONS FOR THE POOR: All destitute farmers shall be exempt from taxation, and taxes of all other toiling farmers shall be reduced. Payments to bondholders and debenture companies by municipalities and Provincial and Federal governments shall be suspended until the needy are provided for.

5. MEDICAL CARE: The Government shall provide free medicine and doctor's attention, hospital care, dental and optical treatment and maternity grants for all farm families who are unable to pay for these services.

6. SOCIAL INSURANCE: A system of social insurance to cover old age (to commence at sixty years and not to be recoverable) and other disabilities, mothers' allowances and widows' pensions shall be set up and maintained by the state and shall be sufficient to provide adequately for all the needy cases among the rural population.

7. CARE OF THE FARM YOUTH: The Federal and Provincial Governments shall provide, at the expense of state, the means for the normal development of the impoverished rural children and young people as regards secondary and higher education, cultural opportunities, sports' equipment and medical inspection and treatment in schools. Farm boys and single men shall not be forced by law or circumstances to go to relief camps.

8. FINANCES FOR THE ABOVE: To obtain funds for the above requirements the Federal and Provincial Governments shall divert to this purpose all present military appropriations, payments on war loans, payments and subsidies to bondholders and financial and industrial corpora-

tions; a higher and more steeply graduated income tax on all wealthy corporations, trusts, monopolies and rich farmers, and on large private fortunes now exempt. Higher taxes shall be levied on all property of railways, manufacturers and other wealthy institutions which is now exempt from property taxes or is held for the purpose of speculation or exploitation of labor.

* * *

In the following pages we endeavor to set out the reasons why we believe the toiling farmers are correct in endorsing the Bill with their signatures and supporting it in every way possible.

Farm Relief

The first thought of the committee in drawing up the Bill is for those who are in the greatest need; those who live in the dry areas of the West and in other parts where for one reason and another they have been unable to raise crops or any produce for sale. Anyone who has not seen for himself the conditions in the drought districts can have little or no appreciation of the poverty and privation that exists there. Only those who have seen it can grasp the completeness and the devastating effects of the drought which has prevailed over half a province and large sections of two other provinces for from two to six years.

It is hard to conceive of what it means to a farm family not to have even potatoes or vegetables from their own garden; to haul water for weary miles, both for house use and livestock, for nine months of the year and ration it out as you might measure wine in a glass. To have to ship in feed for the milk cow long before the summer is over. To see the top soil drift like snow before the endless winds of spring, great holes being whipped out of the level summer fallow. To look day after day across an expanse of alternating brown bare plowing and Russian thistle where there should have been golden grain. Sometimes to get drenching rains in September or October when it is too late. To

watch the storm clouds roll up in June and hope that at last the spell will be broken, only to see a few flashes of lightning, hear a few peals of mocking thunder, an extra gust of wind with maybe a few drops of moisture, and it is gone again.

To live month after month on government or municipal relief allowances and shudder with dread that even the little you get may be cut off or reduced. To face hard-boiled officials who must see that you and your neighbors do not get a bite and a half where a bite would keep you alive. To drive half starved horses to distant sidings for the promised relief fodder, often to find it has been delayed or refused and have to turn home again without it. To live month after month and year after year a life of cheerless drudgery, afraid to spend a dime you scrape up somehow on the least pleasure or a treat for the kids, lest the inspector should hear of your extravagance and cut you off relief entirely. To accept bitter charity from this or that social welfare club, or donations of vegetables contributed by brother farmers "up north" who you know are worried with debts and mortgages and whose donations only show there is no market for what they have grown.

To see schools closed or teachers boarded out a month at a time with the farmers of the district; hospitals without funds to carry on; the neglected health of the children and the hopeless outlook for the youth; the long cold winters, the worn-out machinery and run-down buildings; all of the things which go to make up the sum total of a bewildering, maddening, purposeless existence that starves the mind and soul as well as the body. Such is the life that thousands live in this fair land of plenty, next door to an abundance of every essential thing to satisfy their needs.

We draw these things sharply to the attention of the farmers and workers in more favored districts and ask for full support for the first clause in the Bill—Cash Relief at the expense of the Government for those who cannot raise

crops or produce. This is not an appeal to you who have good crops to make donations of cash or provisions to those who have none. On the contrary, the Emergency Bill proposes to place this burden on those who make their millions of dollars of profits yearly out of the produce you raise, keeping you poor also in the process. Prices to you are low because there is an unsold surplus of your produce on the market. The intention of the Bill is that some of the money held in the hands of non-producers and idlers shall be used to purchase what you have and place it where it is most needed. Better relief, in cash, to those who have no other means of living, would be a good thing for you since it would enable them to buy more of your wheat, your meat, your fruit, vegetables, etc. It is, therefore, to your own interest to unite with these destitute families in support of the Bill.

Higher Prices for Farm Produce

A bulletin has been issued by a Canadian university which places the cost of producing a bushel of wheat in Canada at 85 cents per bushel. Clause two of the Bill proposes that this figure be used as the basis for valuating all the products of the farms and that the farmers be paid on that basis. Where the market price is less than it should be on that basis for any product the Government shall make up the difference by paying a subsidy or bonus. For the wheat crop of 1932 the Federal Government paid a bonus of five cents a bushel, thus establishing a precedent for this practice. It could be extended to all farm products. Thousands of manufactured articles made in Canadian factories are sold in foreign countries at a fraction of what you pay for them right in Canada, and the manufacturers are protected in this business by tariffs set by government commissions so that you can be compelled to pay their price. If the Government can be a party to such schemes at your expense, why not make at least a partial restoration of the extra money filched from your pockets by the racket?

Tomatoes which sold for ten cents a basket at Simcoe, Ontario, where they are grown by the acre, cost 55 cents for the same size basket in Port Arthur in the same season. The tobacco for which you pay \$1.00 a pound and up brings the Ontario tobacco grower from six to twenty cents a pound, a positively ruinous price dictated by wealthy manufacturers. (The Stevens' Inquiry brought out the statement that the president of a Canadian tobacco manufacturing concern drew \$5,000.00 a week from the funds of his company and paid no income tax on this income.) Milk sold to a butter and casein factory in Ontario brings less than the cost of hay (pound for pound, milk 90 cents per hundredweight; hay, last September, \$19.00 per ton). Canneries make contracts with growers which bind the growers to deliver their produce but do not bind the canneries to accept it. Beet growers in the irrigation districts in Alberta are absolutely under the power of the sugar factory they supply with the raw material, except insofar as their organization is able to resist this power. C.N.R. bondholders are sure of their annual interest at the expense of taxpayers; why not the farmers? Big business everywhere is protected by tariffs, statutory rates, fixed charges and even subsidies and exemptions from taxation on certain property; things the farmers have so far not been able to secure.

The higher prices asked for in the Emergency Bill are not to be obtained at the expense of other farmers and the industrial wage workers. Such a move would only establish another vicious circle of higher costs which would come right back to the starting point and leave us no better off in the end. There must be a LEVELLING of prices at the expense of the trusts and monopolies who count their profits in the millions. There is no other practical way. The bonus or subsidy is the simplest form in which this could be done, taxing the rich non-producer to obtain the funds needed. Even the rich FARMER who makes good profits by the exploitation of cheap labor or by rents, mort-

gages on other farms and property, by taking advantage of tax sales, mortgage sales and other means of preying upon his less fortunate or less ruthless neighbors, must be classed along with the other parasites and sharks. The benefits of a higher price, so far as this Bill is concerned, are not intended to increase the riches of that class. Let them be taxed along with the other non-producers and exploiters.

In November and December of 1934 the farmers at some twenty-seven shipping points in Alberta conducted a non-delivery strike as a protest against vicious under-grading and over-docking on their grain. Notwithstanding the whitewashing given the elevator companies by the grain commissioners who "investigated" the charges made by the farmers, the companies paid a number of them additional money for grain that had been bought below its proper grade, grain buyers offered the farmers at some points higher prices than they were getting on the track, and both grading and docking practices were improved very materially as a result of the strike.

The arrest and conviction of a number of strike picketers showed the role of the capitalist state to thousands of farmers and workers who never before had realized to what extent the courts, police and the Government would side with the big companies against the victims of their exploitation. Reports indicate that the judge who handled the appeal against the first convictions allowed his intention to increase the sentences to be known before the appeal trial took place. Important evidence for the defence was ignored; a farmer was sentenced for an act at which he was not even present, for no other reason than that he was a leading figure in the strike. The weight of evidence showed that the act was actually committed by the police, yet it was used as a charge against the strikers. All through the strike it was seen how ruthless the wealthy companies are in dealing with any who dare get in the way of their profit-making, and how they control the state machinery as a means of fleecing the poor. Yet the strike

action brought good results for the farmers and the persecution they suffered had not defeated them nor broken their spirits.

The Natural Products Marketing Act

This Act, which is already being brought into effect in regard to a number of farm products, must be examined carefully by every farmer who hopes to continue as such. Linked with the Farm Creditors' Arrangement Act, the two together constitute the most serious threat against the poorer sections of the farming population yet conceived by the arch schemers of Canadian big business. Space will not permit great details of the effects of this Marketing Bill when it gets going in full swing. We can only point out the main points and leave the analysis to the judgment of the reader.

First of all the Act places absolute and dictatorial powers in the hands of a minister and the farmers have no say in the selection of this minister. The federal and local administrative boards will be dominated by the grain and marketing concerns. The farmers or growers of any commodity may or MAY NOT be asked for their consent to bring any product under the Act. It may be done by a decision of the marketing concerns; for instance, the grain trade; or the minister alone may make all the decisions necessary and go ahead.

The existing grain and produce pools, to which many farmers still remain loyal and true in spite of disappointments and betrayals, will not necessarily be the agencies selected to handle any products.

Presumably the farmers and growers will be required to make detailed reports of their production and have their books and premises open to inspection by various agents. No property nor affairs will be private or inviolate.

Growers will be assessed or levied for the costs of administering the agency which markets—or refuses to

market—their produce. This levy can be collected by legal action.

Growers may be required to secure a license to market their products. (Just how this clause will be interpreted remains to be seen.)

The Board may PROHIBIT the marketing of any of the regulated products of any grade or quality; compensation for losses sustained through this prohibition may or MAY NOT be paid, at the discretion of the Board.

Any person may be fined up to \$500.00 for breach of the regulations or for failure to comply with any order of the Board.

Ostensibly the Act is expected to institute "orderly marketing" and somehow eliminate the surplus which weighs upon the market, thus bringing a higher price for the portion that will be sold. Actually it will do no such thing. The world wheat market, under present conditions, can do without Canadian wheat, even though it stands alone as regards quality and value. The Act is a means of legally compelling the farmer to keep his product off the market when it is not wanted by the dealers. It is a long step towards state capitalism, the dictation of a capitalist government in the matter of production, in the interests of Canadian finance capital. It is a futile attempt to boost prices by artificially creating a scarcity, and blinding the eyes of the producers to the real reasons for the lack of markets. It is a policy of destruction amounting to vandalism; a socially criminal procedure and a negation of progress. It will ruin the small producer and bring about the elimination of thousands of farmers from actual production, forcing them back into "new" settlements to eke out even a more miserable existence there, while finance capital takes over the productive areas and runs large corporation farms under government direction—its own government. The Farmers' Creditors' Arrangements Act will assist in this process of elimination.

When the next world war breaks out Canada will certainly be involved. Then the Natural Products Marketing Act will be a fine instrument for coralling the food supply of the nation, regulating the price to the growers and filling the pockets of a new set of profiteers "on the inside." The Act bears the earmarks of Fascism.

Higher prices for farm products can be realized, but not by marketing schemes such as the Natural Products Marketing Act. The money taken out of the market through profits, rents and interest must be replaced there through taxation of the profiteers.

No Forced Collections

There are two main features of the farm debt situation. The first is the excess of wealth and property which has accrued to the corporations who control the credit of the country; the second is the legislative measures which have been imposed by federal and provincial governments which purport to affect adjustments of debts when debtors become unable to meet their payments.

Let us look at the rating of some Canadian financial corporations who hold the debts against farmers and in whose interest forced collections are made:

Forty-seven trust companies now have total assets of \$2,410,991,525.00; nearly two and a half billion dollars. One company alone, the Montreal Trust Company, has assets of 800 million dollars. The four largest, Montreal Trust Company, Royal Trust Company, National Trust Company, and Toronto General Trust Company, are worth \$1,895,000,000.00 or 77 per cent of the total of all trust companies.

Thirty-six loan companies have total assets of \$213,649,794.00. Three of the largest of these alone have \$171,200,000.00, or 82 per cent of the whole.

Thirty-six insurance companies, Canadian and foreign, operating in Canada, have total assets of \$2,125,522,060.00 in Canada, besides what these foreign companies own in

other countries. The Sun Life alone has assets of \$624,804,455.00.

In 1932, when the farm products were practically unsalable, nine Canadian banks made net profits among them of \$20,964,200.00. The assets of the ten Canadian banks in that year amounted to \$2,852,086,913.00.

No one will claim that these companies got all that wealth directly out of the business they did with farmers. Their ramifications are manifold. Sir Herbert Holt, for instance, the past president of the Royal Bank, which has 91 branches in other countries besides Canada, was at the same time the president also of the Montreal Trust Company and sat on the board of directors of twenty-five other large companies and dozens of lesser ones. These included Hydro Electric concerns, Steel and Coal, Railways, Airways, Paper, Textile, Milling, Chemicals, Cement, Tobacco, Department Stores and Investment Trusts. Holt and a few other leading bankers completely dominate all important industries in the interest of finance capital. The huge profits of these concerns largely account for the high prices we farmers pay for their products as compared with what we get for ours.

The above does not complete the list, but it is sufficient to show that the corporations who benefit by forced collections, mortgage sales, sheriff sales and evictions, are not in any danger of collapse, and their shareholders are in no danger of going hungry if some of the debts they hold against us should not be paid for a while. The extraction of the wealth they accumulate from production, without taking any useful part in that production, can only accrue to them out of the unpaid labor of workers and farmers and constitutes an enormous burden which cannot be expected to be borne indefinitely.

By virtue of our role as producers as against their role as parasites, the debts have all been paid many times over. As a useful class against a worse than useless class we owe nothing. Indeed, they owe to us what they have taken by

exploitation and guile while we worked. Forced collections in the interests of such leeches, so far as the poor farmers are concerned, notwithstanding their laws, are of the same effect as highway robbery. They mean broken homes and broken hearts, and all for the sake of profits for idlers.

Debt Adjustment Laws

In the past the question of debt adjustments as regards farm debts has been a matter of provincial law. Let us see how one province, Saskatchewan, handles the matter. J. T. M. Anderson, ex-Prime Minister of Saskatchewan, in a radio speech delivered on March 7th, 1934, boasted of the following example of debt "adjustment" affected under his government:

"A farmer purchased 640 acres for \$64,000. Total amount paid to date \$55,400 and amount still owing \$40,000. Negotiations resulted in vendor agreeing to give title to 246 acres, and agreement for sale covering another 74 acres at \$3,700. Without adjustment, failure appeared inevitable with a loss of \$55,000."

According to this settlement, even the Debt-adjustment Board considered the land worth no more than \$50.00 an acre (any practical farmer would know how much too high even that figure is). But allowing that the land was worth the \$50.00 an acre, why did the farmer have to pay, principal and interest, \$55,400 for 246 acres or \$225.20 an acre? That is what Anderson called "adjustment." And this was his election propaganda. It was case number one in his list of good things done by his government for the debt-ridden farmers of the province.

The Farm Creditors' Arrangement Act

All legislation which is supposed to "adjust" debts between farmers and their creditors to the satisfaction of both parties can be nothing but a snare for the unwary

farmers. We have yet to hear of a case where a creditor was willing to adjust a claim in such a way as to enable a farmer to pay off the debt when that farmer is operating at a loss year after year. The new Federal Act, the Farmer Creditors' Arrangement Act, is no exception. This Act provides that a farmer with some equity left can borrow some more money from the Federal Farm Loan Board in order to make his payment to the private concern. In some cases the Federal Board will take over a debt and undertake the collecting of it, paying the private company in full.

The intention of the Act towards the private creditor companies is best seen in the clause regarding the reduction of interest rates. If a farmer is paying more than 5 per cent interest on a mortgage he can have the interest rate reduced if he can get enough money together to offer the company **THE PRINCIPAL IN FULL, THE INTEREST IN FULL TO DATE, AND A BONUS OF THREE MONTHS' INTEREST IN ADVANCE.** If the company refuses such an offer the law provides that it can only charge five per cent on that particular debt in future. Nothing to force a general reduction even in the interest rates which would affect those farmers in the worst circumstances. No recognition of the inability of the farmers to pay when prices do not cover the cost of production. No protection for those who need it most. Instead, the Federal bankruptcy law will operate to put the really impoverished farmer through the "bankruptcy wringer" and turn him loose to hunt a home and a living as best he can.

It is not adjustment and arrangements in the interests of millionaire loan companies that we farmers need, but suspension of payments and the abolition of forced collections on behalf of those who are clearly unable to pay under present conditions. And if conditions and prices for our products should never enable the down and out farmer to pay his debts, and suspension of payments should have to continue until it becomes practical cancellation, we will

shed no tears for the fate of the Sir Herbert Holts and Sir Charles Gordons whose bank accounts now look like the figures for the national debt. If the children can be sent to school warmly and decently clad and shod, if the wife who has slaved for thirty years and raised a family of boys and girls can have a new coat or a much needed rest, if the old machinery can be repaired or replaced with new, if the old house can be made fit to live in again, and, in short, if there is something left after WE GET OUR LIVING, then we may begin to talk about adjustments and arrangements. Till that time comes our stand must be "NO FORCED COLLECTIONS" from the poor farmers. They always paid when they could—and how! A case is reported of over \$8,000.00 paid by a farmer on an original loan of \$6,000.00 and the debt still standing at \$6,238.00. According to law the company can foreclose and collect what they can, leaving that farmer destitute.

A social order or system of economy which creates debts makes those debts also unpayable. We have arrived at that stage now and may as well face the fact. The Farmer Creditors' Arrangement Act is just another device for squeezing the last drop from those already bled white. It is another Fascist move on the part of the Federal Government of Canada.

Tax Exemptions for Poor Farmers

Even politicians will admit that taxes should be levied according to ability to pay. Yet municipalities continue to charge arrears and penalties against farmers who clearly have no ability to pay, whose tax payments must come out of money needed for the barest living. The Farm Emergency Bill proposes that this practice shall cease.

In Saskatchewan there is a Tax Consolidation Act based on the assumption that the reason farmers have neglected to pay their taxes is that they just chose not to pay them. Under this law a farmer can have his arrears consolidated and made payable over a period of years if he will make

a down payment of 25 per cent of the amount due. That is the bait used to induce us to throw good money after bad in the hope that prices and crops will some day be better and we will be able to get off the tax sale list for keeps. The net result of making such payments is that the wealthy are relieved of the necessity of paying that much more. The final outcome for the vast majority can only be failure and expropriation.

The bulk of the taxes collected goes to pay interest and principal on bonds and debentures held mostly by millionaire concerns. Interest on the public debt of Canada for the last fiscal year was \$139,725,416.68. Every public improvement of any great importance such as bridges, schools and other buildings costs as much in interest and profits as the original cost of labor and material, often much more. Finance capital has fastened its talons on every phase of production and public service through its control of credit, and farm children, and workers' children in the cities, often bear the brunt of the tax burden so that millionaires may make more millions and escape the payment of taxes they are best able to pay. People who have no income must not be required to pay taxes. There are plenty of other sources of public revenue.

Medical Care and Social Insurance

Very little need be said in support of Clauses Five and Six of the Farm Emergency Bill. The principle is already established and has won general public approval. But the actual application of the principle is bound with red tape, and discrimination is rife. The care of the sick and aged and of those unable to provide their own maintenance is criminally neglected in spite of the legal provisions. The recent legislation introduced at Ottawa carries a threat that old age pensions are to be stopped or placed on a basis that will exclude those who need them most, that is, on a contributory basis.

Widows' pensions, mothers' allowances, old age pensions and general medical and hospital care must be made the direct responsibility of the Federal and Provincial governments as these have the power to levy and collect the funds necessary for such purposes, while rural municipalities have not. These services could be made more easily available so that no family need worry about securing them in case of need, and the burden on those who are able to pay would scarcely be felt.

The pensions of disabled war veterans should be free from inclusion in their relief allowances when they become unemployed, as they are in the case of wages for those who are employed. In some Canadian cities the unemployed veterans are worse off than unemployed workers who never saw service, because neither the city nor the Pensions Board will take responsibility for medical care for their dependents. In Winnipeg the son of an unemployed veteran died without doctor's care because of this passing the buck. The governments are criminally responsible for this death. The returned man knew of no way whereby he could get the care needed for his boy, a mere child. It will take mass pressure from the farmers and workers to remedy this barbarous condition.

Care of the Farm Youth

The hopeless outlook for the young people on the farms needs no special explanation. It is all too well known and obvious to everyone. It is up to the adults, as well as the youth, of the present generation to see that these young people have a chance to get an education, to learn useful trades and professions according to the talent or bent of each individual, to have the means for healthful development of their bodies and minds through sports and social activities. The only thing that stands in the way of this free development is the poverty which results from exploitation.

Another world war is imminent; no one can say just how soon it may come. Relief camps, into which thousands of farm boys are forced through circumstances over which they have no control as individuals, are in most cases semi-military, and the work done there is useful only in view of the danger of war—if we can call that useful. There is a camp in Manitoba where young men working for 20 cents a day built a highway for a mining company. In other places they make golf courses for the “gentry.” Camp life is the worst kind of life, no matter how you look at it. The youth of today are being forced farther and farther back into slavery; and this in a country that was supposed to be the land of golden opportunity. There is no reason for this situation except the breakdown of an economic system which can no longer function in any other way than to drag the toiling masses down and down to lower standards of life and customs. This Farm Emergency Bill must be made a mighty protest against the enslavement of the youth of both the farms and the cities.

How the Money Shall Be Raised

Whenever any government, provincial or federal, is approached by the workers or farmers for some alleviation of their conditions, the cry is raised—with tongue in cheek—“But where is the money to come from for all this expenditure? The government does not make money, and is already heavily in debt,” etc., etc. Many a farmer delegation has foundered on that rock. The Farm Emergency Bill, in clause eight, distinctly sets out definite proposals to answer those objections. We frankly ask for the transfer of needed goods from those who have too much to those who have none, and without exacting payment from the latter; we further ask that taxes be levied on the rich to secure the funds necessary for the transaction. This is not charity; it is the return of a portion of what has been taken from the producers in the past and which has gone to make up the great fortunes of the few.

Is this possible? Well, let us see what Mr. Bennett had to say about it in his radio speech of January 4th. Here are his words, taken from the Winnipeg Free Press of the fifth:

"I think, as between the non-producer and the producer, there must be devised, by some plan of TAXATION to be considered at once, a better balance."

Of course we are not deceived by this demagoguery. There is a Federal election coming in 1935 and Mr. Bennett wants his party to be returned to power by the votes of the producers. We have not forgotten the empty promises of the same party, and particularly its leader, in 1930. But our delegation can use these words of the Premier when they present to him and the Parliament the Farm Emergency Bill. We must require action to follow those fine words.

But just where will the money come from? Who will put it up? Who is there that could stand such a strain? The sum required is considerable. We know there is no scarcity of goods of all kinds; there are plenty of men willing to go to work to produce more and convey them to where they are needed; box cars and engines standing idle; in fact, plenty of everything except, they tell us, the money. Let us take a look at some figures taken from various newspapers and government reports.

Commercial, manufacturing, transportation and financial concerns operating in Canada paid out more money IN DIVIDENDS to shareholders in 1934 than the farmers of all Canada received for their wheat for that year, including the estimated value of the wheat not yet sold. Dividends to corporations totalled \$196,039,000.00 after deductions were made for income tax, depreciation, bad accounts, etc. Estimated total value of the wheat crop is \$159,456,000.00.

For the month of December, 1934, when half the farmers in Saskatchewan were either on relief or in need of it, Canadian corporations made profits of \$47,047,562.00. Manitoba farmers received for all their field crops for the year 1934 only \$49,461,000.00. This is less than 5 per cent more than the profits above mentioned.

In the first nine months of 1934 the International Nickel Company made net profits of over \$14,000,000.00, a matter of 86 cents per share.

For the year ended August first 1934 the Lake of the Woods Milling Company made profits of \$803,261.00, after providing for income tax. Ogilvie's made \$746,749.00. Western Canada Flour Mills, \$275,302.00, which was nearly \$40,000.00 better than they made the previous year. Maple Leaf Milling Company made \$363,340.00. The above four milling companies made so much money out of milling in past years that they had to invest some of it outside their own business as this was already over-developed. They invested \$8,298,575.00 in bakeries and \$7,058,005.00 in other businesses. Nevertheless, last October the milling industry protested against the pegging of the price of wheat at Winnipeg by the Government. Evidence brought out at the official inquiry on price spreads recently showed that a group of milling companies who own a string of bakeries across the country lost some money in speculating in grain and were able to recover the losses by raising the price of flour and bread. The same witness stated that the Ogilvie Company had invested \$105,000.00 in two subsidiaries a few years ago and made \$991,500.00 between 1928 and 1933 on this investment. These are just a few of the items of profits made directly out of farm products after they are out of the hands of the farmers.

The Federal war tax revenue for the year ended March 31, 1934, was \$170,051,973.00. Expenditures on national defence for the same year were \$13,420,726.23. Loans to the total of over 30 million dollars were made to Greece and Roumania. The deficit on the C.N.R. for 1933 was

\$60,980,570.11; yet the bondholders got their interest in full without question.

Alongside all these expenditures and others of like nature we see that the Federal expenditures for all unemployed and farm drought relief amounted to only \$35,898,311.50.

Bank managers tell us that the banks make only a small and very "fair" rate of profit. Yet the Canadian Almanac for 1935 tells us that the assets of Canadian banks increased from \$103,197,103.00 in 1870 to \$2,831,393,641.00 in 1933.

Three per cent of the population in Canada gets twenty per cent of the income. Only 144,000 people in the whole country get enough income to pay the income tax. The business of the country is entirely **controlled**, even if not entirely **owned**, by a mere handful of men who use their power to hold up the producers on one the hand and the consumers on the other.

Could these profiteering "non-producers," as Bennett calls them, bear the taxation necessary to procure the funds for the Farm Emergency Bill provisions? We can well leave that to the judgment of the reader. By what other means shall abundance of good things produced be distributed where they are needed? By what other means shall a market be found for them?

Support the Farm Emergency Bill

The success of the efforts of the National Committee sponsoring this Bill depends upon the mass support given it by those it is intended to benefit. We cannot expect that the rich will endorse it, nor that their representatives in the House of Commons will look kindly upon it. Yet we know that with sufficient endorsements of the farmers and rural residents we can by means of this Bill win

concessions which have not been wrung from the wealthy by any other means. It is a departure from the passivity that has characterized the acceptance by the farming population of the conditions needlessly imposed on us. It must mark the awakening of tens of thousands of toilers to the fact that governments will do for us only that which we ourselves demand of them in an organized manner. We have had enough of election promises from every party; promises which we have come to realize are made only to catch the votes and which are forgotten as soon as a party takes office. We cannot be content with voting the old party out and a new one in; there is no essential difference between them when in office so far as we are concerned.

There is nothing asked for in the Bill which is unreasonable or beyond the ability of the legislatures and the Federal Parliament to grant. There is no proposal to maintain able bodied people in idleness; rather it is a move to get away from doing that very thing. We have kept a wealthy class in idleness too long now.

The owning class in Canada is preparing to make another attack on our standard of living. The Natural Products Marketing Act and the Farmer Creditors' Arrangement Act dealt with in this pamphlet are only a part of their program. Those at the top are determined to remain there and to continue to expand and grow richer and more powerful. Small businesses go under as the big ones grow; small poor farmers are fleeced more and more in the market where they buy and sell; wages of workers are lowered and their work speeded up beyond endurance; debts accumulate and more and more property passes into the hands of the trusts and corporations.

Against all this the farmers and workers must take a determined stand; and the sooner we begin, the easier it will be to win out. Not only must we endorse and support our own proposals, such as this Bill, but we must make this the beginning of a wider and stronger and more militant

unity of the toilers of the countryside to check the forces of reaction, of growing Fascism, of destruction and war which menace civilization itself in this age of economic madness.

Let us have one great aim in mind, one thing on which we can agree, one course which we can all follow as useful producers: to take upon ourselves the task of ensuring that he who works shall eat, whatever else may come, and that those who live by their toil on the farms of Canada shall have a reasonable standard of living and security in the possession of the necessities of life and of their farms and homes.

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